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(Marv Murphy)

for AF
PATENTS
Docket No. ODS/035



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Appellants : Richard E. McNutt et al.
Application No. : 09/827,657 Confirmation No. : 5396
Filed : April 5, 2001
For : SYSTEMS AND METHODS FOR RECOGNIZING
PREFERRED WAGERERS
Art Unit : 3714
Examiner : P. A. D'Agostino

Boston, MA 02110

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REPLY BRIEF UNDER 37 C.F.R. § 41.41(a)

Sir:

Pursuant to 37 C.F.R. § 41.41(a), appellants are filing this Reply Brief in reply to the Examiner's Answer dated June 30, 2008 (hereinafter "the Examiner's Answer"), and in support of their appeal from the rejection of claims 1, 5, 11, 15, 19, and 25 in the Office Action dated March 5, 2007. Appellants previously filed an Amended Appeal Brief on April 4, 2008 (hereinafter "Appeal Brief") in connection with this appeal.

REMARKS

Introduction

The Examiner's Answer maintains the § 102(e) rejection of claims 1, 11, 15, and 25 and the § 103(a) rejection of claims 5 and 19 from the March 5, 2007 Office Action and restates the same grounds of rejection from that Office Action. The Examiner's Answer also provides a "Response to Arguments" section that attempts to rebut one of appellants' arguments made in the Appeal Brief in response to the § 102(e) rejection.

In this Reply Brief, appellants maintain that claims 1, 11, 15, and 25 are not anticipated by U.S. Patent No. 6,722,980 ("Stronach"). In particular, the Examiner's Answer is insufficient as a matter of law to uphold the § 102 rejection of claims 1, 11, 15, and 25 for at least the reasons set forth in appellants' Appeal Brief. Appellants have filed this Reply Brief to address comments in the Examiner's Answer and to further demonstrate the patentability of pending claims 1, 5, 11, 15, 19, and 25.

For at least the reasons provided in the Appeal Brief and in this Reply Brief, Appellants respectfully submit that the Board should find the rejections of claims 1, 5, 11, 15, 19, and 25 to be in error and should reverse those rejections.

The 35 U.S.C. § 102(e) Rejection

In the Appeal Brief, appellants provided at least two reasons why the § 102(e) rejection should be reversed. First, appellants argued that Stronach does not describe determining if the wagerer is to be recognized based on one criterion and providing the incentive associated with that one criterion to the wagerer. See Appeal Brief, pp. 7-9. In particular, appellants argued that, contrary to the Examiner's contention, Stronach does not inherently show using pay tables to determine prize amounts in Stronach's prize selection algorithm. See id. Second, appellants argued that even if Stronach described determining prize amounts based wager amount, which appellants maintain it does not, Stronach still does not show a plurality of criteria each associated with a different incentive as specified by appellants' claims. See Appeal Brief, pp. 9-10.

In the Examiner's Answer, the Examiner completely ignores appellants' second argument, but maintains the rejection while attempting to rebut appellants' first argument. The Examiner concedes that Stronach does not expressly teach appellants' determining step, and instead relies

on a theory of inherency. See Examiner's Answer, p. 6. In particular, the Examiner maintains that Stronach's prize selection algorithm "necessarily" determines prize amounts using a pay table, and thus teaches determining if the wagerer is to be recognized based on one criterion and providing the incentive associated with that one criterion (see id.), without citing a single section in Stronach that actually supports this contention.

The Examiner's rebuttal arguments are unconvincing and insufficient to maintain the § 102(e) rejection of claims 1, 11, 15, and 25. It is well-established that "[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." MPEP 2131. "In relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teachings of the applied prior art." (MPEP 2112(V), emphasis in original). A claim limitation is inherent in the prior art if it is necessarily present in the prior art, not merely probably or possibly present. Akamai Technologies, Inc. v. Cable & Wireless Internet Services, Inc., 344 F.3d 1186, 68 USPQ2d 1186 (Fed. Cir. 2003) (emphasis added).

At best, the Examiner's argument amounts to no more than speculation about possibilities, and therefore fails to establish a *prima facie* case of inherency. The Examiner's argument is basically as follows:

Stronarch teaches a prize selection algorithm. This algorithm ... is used to determine a prize according to the particular amount of a wager submission. Prizes can be random or associated with a pay table. A pay table is well known in the art to correlate combinations of outcomes and wagers (See column 11 lines 6-14). A player is recognized on the criterion of a wagered amount and provided an incentive based on the credits awarded or other prizes (see column 10 line 66 through column 11 line 5). While Stronarch does not specifically indicate a pay table is associating outcomes and wagers ... based on the definition of a pay table, ... a correlation between wager and incentive is necessarily present in the concept of a pay table. (Examiner's Answer, page 6)

First, appellants respectfully point out that the Examiner is not arguing that a pay table, by itself, describes appellants' determining step, which appellants reserve a right to refute. Rather, the Examiner is arguing that the prize selection algorithm of Stronach is necessarily associated with a pay table; and that the combination of prize selection algorithm and pay table, in this particular context, inherently describes appellants' determining step. Therefore, to establish a *prima facie* case of inherency, the Examiner must point to evidence showing that the

prize selection algorithm of Stronach is necessarily associated with a pay table. In both the Office Action and the Examiner's Answer, the Examiner fails to cite a single section of Stronach that supports this contention. The Examiner appears to cite only passages that make references to a pay table. However, the mere reference to a pay table in Stronach does not necessarily mean that Stronach's prize selection algorithm is associated with a pay table. In fact, Stronach itself states that "the prize selection algorithm may simply be a random seed or else the prize selection algorithm may determine to provide a prize after every certain amount of wager submissions through the wagering terminal." Stronach, column 11, lines 5-9. Thus, Stronach itself teaches that the prize selection algorithm may determine prizes according to a mechanism other than a pay table, such as, by a "random seed." Therefore, the Examiner's contention that the prize selection algorithm of Stronach necessarily determines prizes based on a pay table is not only unsupported, Stronach itself teaches that this is not the case.

Second, appellants claims also specify that the criterion used to determine an incentive for a wagerer is selected from a plurality of criteria, each of the plurality of criteria being associated with a different incentive. The Examiner essentially reads this feature out of the claims in making the § 102(e) rejection. As stated in appellants' Appeal Brief, even if the prize selection algorithm of Stronach determines to recognize a wagerer based on a wager amount (which appellants maintain Stronach does not describe) and selects an amount of the prize based on wager amount (which appellants also maintain Stronach does not describe), this is only a one criterion (i.e., wager amount) and one incentive (i.e., the prize). Stronach still does not show a plurality of criteria each associated with a different incentive as specified by appellants' claims.

Finally, appellants refute a concession inaccurately attributed to them by the Examiner. In particular, the Examiner contends that appellants admitted that "a prize and a payout are the same" in Remarks filed August 7, 2006 ("August 2006 Remarks"). See Examiner's Answer, page 7. In the August 2006 Remarks, appellants cited column 10 line 66 to column 11, line 5 of Stronach while arguing that the Examiner mischaracterized the prize selection algorithm of Stronach. (See August 2006 Remarks, page 4). The cited section states:

The wagering processor may also be configured to provide a prize to a user upon the submission of a wager. For example, the submission of a wager may trigger, according to a prize selection algorithm, the provision of a prize to the user, for example, in the form of a credit of the user's account or a credit or other type of prize on a ticket provided from the ticket dispensing device. (Stronach, column 10 line 66 to column 11, line 5.)

Appellants cited this section of Stronach to illustrate the types of prizes that may be associated with the prize selection algorithm of Stronach. Appellants did not state or imply that a prize and a payout are the same. Moreover, the cited section does not state or imply that prizes and payouts are the same. Furthermore, while this section describes the providing a prize according to the prize selection algorithm, it does not state that these prizes are determined according to a payout table associated with the prize selection algorithm. As appellants stated in the Appeal Brief, when Stronach refers to payout tables, Stronach refers to wager types that are distinct from that associated with the prize selection algorithm. (See Appeal Brief, pp. 8-9) Therefore, the Examiner's contention that appellants admitted that prizes and payouts are the same is wholly unsupported by the record or any reasonable interpretation thereof.

Conclusion

In view of the foregoing, as well as the reasons set forth in the Appeal Brief, appellants respectfully request that the Board reverse the § 102 rejection of claims 1, 11, 15, and 25. Claims 5 and 19 depend from claims 1, 11, 15 and add further elements thereto. Appellants therefore request reversal of the rejection of those claims for at least the same reasons.

Appellants believe no fee is due with this response. However, if a fee is due, please charge our Deposit Account No. 06-1075, under Order No. 003043-0035 from which the undersigned is authorized to draw.

Dated: August 29, 2008

Respectfully submitted,

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